1963

article by Sam Peltzman in the New Individualist Review:

"If what we mean by public interest here is the satisfaction of market demands, in all their variety, at lowest social cost and, as part of this, the quick adaptability to changing market conditions, then our history indicates that this interest is best served by competition free of arbitrary interference

the conclusions reached in an authoritative

by State power.

"We have not given free competition a chance in this industry. We might do worse

than to try it."

PEONS, COOLIES, AND BRACEROS

(Mr. GONZALEZ (at the request of Mr. Albert) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GONZALEZ. Mr. Speaker, the importation of foreign workers is no new thing; the bracero program is just another variation on a very old theme.

History shows that this country in its formative years was short of labor. To fill the gap, indentured servants were used. Indentured servants were bound to a master for a specific length of timenot unlike the modern bracero. In addition to indentured servants, we had slaves to perform what is now called stoop labor. As time passed and man progressed, both indentured servants and slaves passed from the scene.

In the era of railroad building, we find that the railroads utilized another form of cheap, captive labor. Thousands of Chinese were used in railroad construction gangs. These coolies were often brought in under a contract which exchanged their labor for passage to the United States. The importation of Chinese labor eventually reached such proportions that legislative remedies were demanded—the Oriental Exclusion Act resulted.

But there were yet other markets for cheap labor. Many entrepreneurs turned Workers, skilled and unto Europe. skilled alike, would be contracted to perform work for a company or persons over a period of 2 or 3 years in exchange for passage to this country. By the 1880's this contract labor reached scandalous proportions, and again legislative remedies were demanded.

In 1885, a law was passed which prohibited the contracting of foreign laborers. Thus it would seem that the system of captive labor had at last come to an But here today, in the 20th cen--78 years later—we find that the contracting of foreign labor is carried on with the blessing of our Government.

There is essentially no difference between the indentured servant and the bracero; nor is there much difference between the coolies of the 19th century and today's bracero. Neither is there much difference between the contracted laborer of the 1880's and today's bracero. Yet all these captive laborers passed from the scene by 1885. I would respectfully urge my colleagues not to perpetuate Public Law 78-let us end one more form of captive labor.

IE ANSWER TO EXPORTED AGGRESSION

(Mr. RODINO (at the request of Mr. Albert) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. RODINO. Mr. Speaker, an effective defense program must be able to respond to all levels of aggression. Today we find increasingly that the challenge to free and democratic government is in the form of guerrilla warfare in the underdeveloped areas of the world. Ignorance, not ideology, causes such areas as southeast Asia, Africa, and Latin America to be the seedbeds of Communist activity; discontent in these strategic areas makes them liable to Communist propaganda.

Militarily, guerrilla warfare demands radically different organization, strategy and equipment from those of conventional combat. The Honorable Roger Hilsman Assistant Secretary of State for Far Eastern Affairs, personally experienced in this special kind of warfare, discusses this problem in his arti-cle, "The Answer to Exported Aggression," which appears in the current issue of the General Electric Forum.

As I have already done with other

excellent pieces from this magazine, I am calling to the attention of all my colleagues, along with all those who read the RECORD, this provocative analysis of our crucial task in an ever more important field:

An expert on counterinsurgency tactics suggests that "Vietnam's twilight war for the villages may yet rank as one of the decisive battles of world history." Secretary Hilsman, a former World War II guerrilla fighter himself, stresses that this form of hidden aggresslon poses a threat to the entire free worldthat the Communists see guerrllla wars in Africa, Asia, and Latin America as the best way to expand their empires with the least To meet this exported aggression effectively, Secretary Hilsman says:

We must adopt the methods of the guerrilla himself-the very tactics our ancestors learned from the Indians.

"Our long-range goal must be 'nation-building'—aid which includes the many things an American pioneer village needed.

"The really important appeal of the West is the respect for the individual which is built into Western cuiture."

Question. Secretary Hiisman, the Joint Chiefs of Staff have defined counterinsurgency as the military, political, economic, psychological, and civic actions taken by existing governments to defeat subversive insurgency. Would you subscribe to this definition?

That is a very reasonable definition, particularly as applied to the Far East—namely, the Philippines, Maiaya, and currently Vietnam. But I would broaden it slightly by stating that the real problem is one of extending government control to areas where governments have never had control throughout history. In a broader sense this means providing government services to the villages, knitting the people into the fabric of the whole community and national life.

In southeast Asia today, there is no pervasive national spirit as we know it. villagers in the back country still feel no deep loyalty to their government, which

seems much further from them than ours does from us. Since most of the villagers make nearly all the material goods they use, they have relatively little commercial, poiitical, or psychological contact with other villages or the provinces around them.

In such circumstances, there does not have to be a basic discontent with the government for a guerrilla unit to thrive. It is just a

question of the villagers' isolation. Recently, in northeast Thalland, a government team visited 40 villages-not particulaarly isolated ones, either. In 10 of them the people had never seen a government official—no policemen, no firemen, no health inspectors, no one.

In villages like these, it is relatively easy for an outside subversive power to recruit young men for guerrilla bands by simply promising sheer adventure, just to get away from the borning, monotonous tasks of an agricultural life.

For example, in my personal experience

with the OSS in Burma during World War people to be pro-West. Another 10 percent were proenemy, but the rest were either indifferent or else just so isolated that they had no ideological convictions one way or the other. Yet we were able to recruit over 30,000 guerrillas for OSS operations in Burma, and in spite of our white faces.

To draw a parallel with a situation closer

to home, one may ask whether the citizens of Chicago "supported" the hoodlum gangs which flourished during the 1920's. Certainly the shopkeeper hit by the protection racket did not support the gangs, but he often had no choice except to go along with them. The same thing is true in many of the isolated villages in some of the underdeveloped areas of the world.

Question. In the past, you have defined this guerrilla activity in southeast Asia as internal war, or hidden aggression. What

do these terms imply?

The terrorist activity in Vietnam is really aggression in the truest sense of the word. Over the centuries international law has categorized aggression as an overt attack. But here we have, as President Kennedy has said, "a subterranean war," which doesn't fit easily under the doctrines of international

I call it hidden aggression, or twilight warfare, because it is an attack directed across an international boundary. It is clearly an attempt by one state to bring down another by exported terror. From North Vletnam, the Communists are sending in trained cadre, propaganda, money, equipment, and directions to the Viet Cong terrorists in South Vietnam. All the while they try to maintain the fiction that it is

an internal uprising.

The pattern of the Vietnam war so far has followed closely Mao Tse-tung's three stages of guerrilla warfare. In the first stage, sympathizers are recruited and indoctrinated, and a base is built from which weapons, rice, and other supplies can be distributed. The second stage is one of terror, hit-and-run tactics, ambushes, night attacks, and assassinations. This is the stage in which we are engaged now. Finally, in the third stage Mao says there must be a change to a true civil war where the terrorist bands are turned into conventional armies to fight the regulars by conventional means. As a practical matter, the Communists hope to create enough political chaos and instability so that the government will fall by a coup d'etat, letting them move in and sklp the third stage.

WE MUST ADOPT GUERRILLA TACTICS

To fight this exported aggression effecwe must adopt the methods of the guerrilla himself—the very tactics our an-cestors learned from the Indians. We must

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realize that the guerrilla does not care about north or south, or east or west. He doesn't care about this town or that piece of real estate. He lives to fight, to ambush, to kili. His only goal is to kili—not to seize and hold territory.

It is nonsense to assume that regular forces trained for conventional war can handie jungle guerrillas adequately. Regular forces are essential for regular military tasks, but twilight warfare is something special. It is a war of shadows in the night which cails for radical changes in organization, combat doctrine, and equipment. The main ingredients for success are constant patrols, good communications, mobility, and a capacity for rapid concentration. Our key units might be decentralized groups of 50 men, self-reliant and able to operate autonomously, fanned out into the surrounding countryside.

Let me again draw on my experience in Burma. At one stage my outfit—consisting of 4 Americans and 200 Burmese—kept an entire 3,000-man Japanese regiment marching and countermarching through the mountains far away from the front where they would have done more good. What we would have feared most would have been smaller groups patrolling steadily. The Japanese were much better soldiers than our guerrilias. They were better trained, tougher, and more mobile. But they fought us as if we were regular troops. We never tried to take or hold ground. We laid ambushes, fired our weapons, and ran just as fast as we could. After a month of chasing us, this 3,000-man regiment had over a hundred casualties; we had only 1.

ONE OF HISTORY'S DECISIVE BATTLES

Vietnam's twilight war for the viliages may yet rank as one of the decisive battles of world history. In one sense, it is no more or less decisive than an effective deterrent against a Korea-type war, nor is it more or less decisive than an effective strategic nuclear deterrent. However, even as we have prepared for both conventional and nuclear wars, the Communists have been giving increased emphasis to internal warfare. Of course, we can take some credit for their change in strategy. Our nuclear force buildup has paid off and so have our efforts to build ground forces, our alliances, and our sacrifices in Korea.

Now the Communists are beginning to see possibilities for guerrilla wars in Africa, Asia, and Latin America as the best way to expand their empires with the least risk. So the Vietnam war is quite decisive, in the first place, because unless we develop an effective counter there, we may well find ourselves in the same difficulty in some of these other areas. Secondly, this war is decisive in that the steps needed to fight it are the very steps needed for building the new nations of the world into independent, self-sustaining states. Our job in Vietnam is as much political and economic as it is military—the long-range task is nation building.

WHAT ARE THE STEPS INVOLVED IN NATION BUILDING?

To become a stable nation, Vietnam needs much more than dams, power station, steel milis, and other giant foreign-aid projects which will have to come sooner or later. This sort of foreign aid is important, of course, but on a longer-term basis. In the short term, these people need more simple aid such as communication routes, so that goods and services can flow freely from village to village throughout the country. There must be a way for information about the needs of the people to flow upward, and a way for government services to flow downward to answer these needs. They need health programs, police security, educational systems, economic help, sewer systems—the very things many an American pioneer village needed over 100 years ago.

STRATEGIC HAMLET PROGRAM

An important part of this nation-building program is to provide the villagers with the physical security so necessary to peaceful progress. This is what the strategic hamlet programs does. We are helping the villagers ring their villages with barbed wire, much as our frontier towns were protected with stockades. Then 20 or 30 in a village of 200 are trained to use weapons such as hand grenades, shotguns, and carbines. And they are given a radio with which they can contact province headquarters for help if they are attacked by a large band of terrorists.

But the strategic hamlet program involves far more than just physical security. It is also a vehicle for getting government services to the people to help enilst popular support for the government. And as the government becomes more popular, and as more villages are secured, the Viet Cong wiil be isolated more and more from their key sources of supply—the villages of the back country. No longer will marauding bands of five or six guerrillas be able to walk into villages and either seize or buy rice.

villages and either seize or buy rice.
If they can't get into the villages, and if
they are occasionally ambushed themselves,
will the Viet Cong then start to wither?

That's right. By cutting off this important supply line to the villages and by keeping them on the move, we will begin to make the guerrillas suffer from lack of food, from hunger, and from discomfort. They will begin to dry up.

Of course, we are not at that stage yet in

Of course, we are not at that stage yet in Vietnam. However, we have come a long way and have made much progress recently. During the last haif of 1962, outlying viliages containing roughly haif a million people were made secure by the government, bringing the share of rural population in secured villages to about 51 percent. The Viet Cong controls about 8 percent.

This still leaves around 40 percent of the rural population unsecured. It is to this group that the Government must extend its services and control in the next phase.

In the mountain regions during the last year we have heiped the Vietnamese train over 37,000 Montagnard tribesmen in the use of simple weapons, how to set up village defenses, and how to patrol areas between villages. But one Special Forces team I know for is most proud of a completely nonmilitary kind of project—a village market. They went to the province capital and persuaded a tailor, a tobacco merchant, and a general store operator to move to the Montagnard village where they were stationed. Then they persuaded the villagers in the area to start producing a surplus of what they grow, and to bring the excess to the market where they could seil it and buy thimbies, needles, thread, pots, pans—the instruments for a better life that they could never have before.

This isn't warfare in the usual sense and it isn't killing Viet Cong. But it is the real way to fight the Communist terror. It is a vital step in nation-building, and that is our long-range goal.

Question. Secretary Hilsman, it has been said that the Communists are offering a "spiritual" challenge to the people in Asia, telling them, "We need you desperately, whoever you are, whatever you can do. Ours is the revolution of the future. You can be the liberators of mankind."

In contrast, it has been said that the American appeal offers no such "cause" but merely a slight material gain through our aid and assistance programs. We have been told that there really isn't an "American side." Is this theory true, or haif-true, or is it completely inaccurate or obsolete?

There is no question in my mind that this theory is completely obsolete. In terms of appeals, the Communists are not doing at all well. The normal Communist ideology does not cut much ice anymore. Where they do make headway, they capitalize on an

appeal to nationalism, or they use threats of terror and retaliation.

The theory about American appeals is also obsolete. We have a spiritual appeal that is a truly revolutionary one—a government interested in the wants and needs of the people. In the past, government has usually meant—if anything—an official who collects grain or yams and gives nothing in return. So we have a revolutionary appeal to excite and inspire these people—the simple but very effective concept that government exists to serve and protect them.

In a sense, the whole nation-building program has a revolutionary, spiritual appeal, not only in Vietnam but in all the world's underdeveloped areas. This is really the guts of the Aliiance for Progress program, except that in Vietnam nation building must proceed under the guns of Communist terrorism. The barbed wire and guns of a strategic hamiet program would not be needed in a country not under attack as Vietnam has been, but the civic action certainly would.

But the really important appeal of the West is the respect for the individual which is built into Western Culture. In contrast, the whole Communist bloc leans toward a monotonus grayness—the Tibetans should act like the Chinese, the Chinese like the Russians, and the Russians like the Poles. There is not the diversity which is found in the free world.

What can industry here in the United States do to help these countries build their civilizations? For example, Dr. Wernher von Braun has said that much of the success of the space program has resulted from the individual contributions and innovations of private industry. He toid us that he spends a substantial part of his time "trying not to drown in all the many ideas which come to us." Do private companies face this same kind of challenge in "nation building programs" as they have already faced in aerospace and defense?

They most certainly do. There are many areas of science and technology where new ideas can help Vietnam and similar countries to discover new approaches to their problems. Right now scientists in this country are on the brink of some discoverles in genetics which are just as dramatic and exciting as the discovery of the nuclear reaction. Some of them may help to solve many of the tremendous problems in disease, overpopulation, and food shortages.

To heip break the illiteracy problem we may be able to use a communications satellite, providing a country with a complete television network which could be picked up on television sets powered by woodburning generators. We could increase a teacher's exposure a hundred times.

Chemistry, biology, electronics, physics—every science you can name—may have some answers if we can get researchers to focus on the problems.

How optimistic are you that our nationbuilding program will succeed in Vietnam? Do you have a time-goal in months or years?

Right now about Vietnam I am optimistic—but cautiously so. It is not a question of winning a battle or defeating an army. It is a question of building a nation, and that takes time. So far things are going rather well, but we have to think in terms of years instead of months. It will be some time before you can go anywhere in Vietnam with a feeling of complete safety and security.

Of course all the new nations like Vietnam need time. No magic of science can transform their way of life overnight. It took 7 years to eliminate guerrillas in Malaya. It may take more than this in Vietnam, or it may take less. But I think time is on our side,